

1 December 2014

IRU STATEMENT 13/2014

IRU Urges Government and Senate to reach agreement on final Higher Education package

The IRU welcomes the Government's announcement of changes to its higher education package. These show that it is serious about reaching agreement with Senators to make the full set of changes needed for the package to be right for passage.

Holding the indexation on Higher Education Loan Program (HELP) to current arrangements removes a major problem with the package as initially announced. The introduction of a five year interest rate pause on HELP for new parents will also assist graduates earning at the threshold for repayment who have young families.

The IRU urges Government and Senators to reach agreement on the other changes necessary to allow passage of the *Higher Education and Research Reform Amendment Bill 2014* this week. Universities, students and their families need certainty about what funding and what charges will be in place from 2016.

The issues that remain for resolution are:

- reducing the cut to funding per student from the proposed 20%;
- a better approach to the Commonwealth Scholarships Scheme to pool the eligible funds so students choose their university based on their educational preferences;
- support for universities to make the transition to a market based system through a structural adjustment fund for universities serving outer metropolitan and rural regions; and
- not reducing funding for research students, funding which has not increased since 2001.

The Bill will put in place reforms to higher education that provide the way ahead. It retains open access to government supported higher education and will give universities the resources they need to provide the high quality university education that universities wish to provide and that students and the public expect. **END**

IRU Chair Professor John Dewar will be available for comment at 4pm, Monday 1 December 2014 outside Aussies Café Parliament House, Canberra and on 0418 980 509

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